

SFPP, L.P.Operating Partnership

File No. 28.119.02 (AFE: 81424) December 14, 2007

Mr. James D. Marshall, P.E. Senior Engineer California Regional Water Quality Control Board 11020 Sun Center Drive #200 Rancho Cordova, CA 95670-6114

RE: Comments on Tentative Order No. R5-2008-XXXX, Waste Discharge Requirements (NPDES No. CA0084760) and Time Schedule Order Kinder Morgan Energy Partners, L.P., Through its Operating Partnership SFPP, L.P. Fox Road Petroleum Release Site Groundwater Remediation System, Solano County, CA

Dear Mr. Marshall,

This letter is submitted on behalf of SFPP, LP operating partnership of Kinder Morgan Energy Partners, L.P. (KMEP) and presents our written comments to Tentative Order No. R5-2008-XXXX, (NPDES Permit No. CA0084760) and time schedule order for the SFPP, LP Fox Road Remediation Project (the "site"). We would also like to extend our appreciation for your time discussing the tentative permit with us on Tuesday, December 11, 2007. The discussion helped us to better understand the permit and clarified some of the requirements that the permit will place on KMEP. In the comments below, we have reiterated some of the items discussed during our December 11, 2007 teleconference to ensure our understanding of these issues are correct.

General Comments

In several locations within the Tentative Order there are some inaccuracies regarding the operation of pipeline. Below is the current wording in italics in the Tentative Order followed by our requested changes.

Current: The Discharge owns and operates and underground petroleum pipeline system that distributed fuel products from Concord to Sacramento, California, and then to Rockland and Reno, Nevada. The underground petroleum pipeline network includes a 14-inch diameter pressurized transmission pipeline that lies within the Union Pacific Railroad right-of-way and crosses Fox Road near the City of Dixon in Solano County.

Requested Change: The Discharger owns a former underground petroleum pipeline that distributed fuel products from Concord to Sacramento, California. The 14-inch diameter pipeline was taken out of service on December 13, 2004. The out of service underground petroleum pipeline lies within the Union Pacific Railroad right-of-way and crosses Fox Road near the City of Dixon in Solano County

Below is a summary of our specific comments.

TPH

1. The tentative permit includes a limit of 50 ug/l for "Total Petroleum Hydrocarbons (Gasoline and Diesel)". This is included in numerous locations, including Table 6, Table E-2, Table E-3, Table F-9 and Attachment G. Based on our December 11th conversation with you, we understand that this language will be changed to indicate the effluent limit for TPH-G is 50 ug/l and for TPH-D is 50 ug/l.

Pesticides

Section V. A. 8. describes receiving water limitations for pesticides. KMEP would like to emphasize that it does not use pesticides at the site. Furthermore, the receiving water (Gibson Canyon Creek Flood Control Channel) runs through active farm land where pesticides may be used that could impact the receiving water and/or the groundwater in the area.

2. Based upon our conversation of December 11, it is our understanding that the monitoring requirements for pesticides are fully described in Tables E-3 and E-5. Furthermore, it is our understanding that KMEP is not required to treat it's effluent for pesticides or other pollutants unless the RWQCB demonstrates that a given pollutant is not present in the receiving waters upstream of the discharge location but is present in the downstream receiving water and is also present in the effluent in sufficient concentration to have resulted in degradation of the receiving waters.

Salinity

As part of the order KMEP is required to prepare and implement a Salinity Evaluation and Minimization Plan to "address sources of salinity". This section also requires KMEP "provide annual reports demonstrating reasonable progress in the reduction of salinity in its discharge" (VI. C. 3. a.).

3. It is our understanding based on the December 11th discussions with you that the intent of the Salinity Evaluation and Minimization Plan is to require KMEP to evaluate the treatment process and report and control potential incremental sources of salinity that may be added to the recovered groundwater as part of the groundwater treatment process. However, KMEP wishes to clarify that the permit creates no obligation to provide treatment for salinity which may be present in the extracted groundwater.

Technology Based Effluent Limits

The tentative order contains a number of technology based maximum daily effluent limits, including a limit for TBA of 20 ug/l. This represents a significant decrease from the TBA limit of 200 ug/l contained in the previous permit for this location. Language in Att. F, IV. B. 2. b. states that "Dilution has not been allowed in this order, because there is insufficient information to establish protective dilution credits. The discharger has not performed a dilution mixing zone study."

4. Based upon our discussion of December 11th it is our understanding that the RWQCB will consider issuing water quality based effluent limits for TBA and other constituents based upon reestablishing dilution credits if a mixing zone study is completed and demonstrates

such actions are sufficiently protective of the receiving water. It is our understanding that the language in section VI.C.1.d. recognizes this alternative.

Other Reports and Reporting

Language in Attachment E, item X.D.2. requires Kinder Morgan to prepare a report outlining minimum levels, method detection limits and analytical methods for approval. This requirement further states that "all peaks identified by analytical methods shall be reported".

- 5. Based upon our discussion of December 11th, it is our understanding that the language stating that all peaks identified by analytical methods shall be reported will be removed from the permit.
- 6. Also based on our discussion on December 11th, the Monitoring and Reporting Program (MRP) will be changed to reflect and quarterly reporting schedule to maintain consistency with our current reporting frequency.

KMEP appreciates the RWQCB assistance during this permitting process. If you have any question regarding the comments above, please contact me at 916-624-2431 ext 13 or John Grams of Delta Consultants at 651-697-5166.

Sincerely,

Števen J. Osborn

Sr. Project Manager – Remediation

cc: John Grams, Delta Kelsy Hardy, KMEP (file copy)